

**INDEPENDENT ACCOUNTANT'S REPORT**

**TOWN OF MARTHA, OKLAHOMA**

**JULY 1, 2012 TO JUNE 30, 2013**

BY





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### **Independent Accountant's Report**

To the Specified Users of the Report:

Town Council, Town of Martha  
Martha, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Martha, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of the General Fund-Cash Basis and the Public Works Authority Fund-Cash Basis, for the fiscal year ended June 30, 2013 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting information in the form of financial statements prescribed by Oklahoma Statutes that is the representation of the management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying statements in accordance with their comprehensive basis of accounting. Management is also responsible for the designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's

assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Martha is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agree-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Procedures and Finding**

As to the **Town of Martha** as of and for the fiscal year ended June 30, 2013:

- 1. Procedures Performed:** From the Town's trial balances, we prepared a summary of changes in fund balances for each major fund and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance.

- 2. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 3. Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the PWA Fund and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with appropriation limitations.

**Findings:** We found no instances of noncompliance.

- 4. Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance.

**5. Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** We found no instances of noncompliance.

As to the **Town of Martha Grant Programs**, as of and for the fiscal year ended June 30, 2013:

**1. Procedures Performed:** From the Town's trial balances, we prepared a schedule of grant activity for each grant and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement(s).

**Findings:** We found no instances of noncompliance.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Furrh and Associates, PC*

FURRH & ASSOCIATES, PC

December 6, 2013

**TOWN OF MARTHA, OK**  
**SUMMARY OF CHANGES IN FUND BALANCE - CASH BASIS**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

	<u>Beginning of Year Fund</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
General Fund	\$ 9,358	\$ 41,493	\$ 44,451	\$ 6,400
Public Works Authority	29,619	64,990	66,379	28,230
Fire Department	12,685	0	3,860	8,825
OWRB Grant	5	0	0	5
Dept. of AG Grant	3	0	0	3
<b>Overall Totals</b>	<u>\$ 51,670</u>	<u>\$ 106,483</u>	<u>\$ 114,690</u>	<u>\$ 43,463</u>

**TOWN OF MARTHA, OK**  
**BUDGETARY COMPARISON SCHEDULE-CASH BASIS**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

	Original / Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
<b>Beginning Budgetary Fund Balance:</b>	\$ 9,358	\$ 9,358	\$ 0
<b>Resources (Inflows):</b>			
Fire Revenue	5,000	4,720	(280)
Franchise Tax Income	3,000	2,790	(210)
Motor Vehicle Tax	1,500	1,323	(177)
Alcoholic Beverages Tax	750	815	65
Miscellaneous Income	0	0	0
Transfer in from PWA	30,000	31,845	1,845
Total Inflows	40,250	41,493	1,243
<b>Amounts Available for Appropriation</b>	<b>49,608</b>	<b>50,851</b>	<b>1,243</b>
<b>Charges to Appropriations (Outflows):</b>			
Personal Services	2,100	2,180	80
Maintenance, Operations, Repairs	47,508	42,271	(5,237)
Transfers Out	0	0	0
<b>Total Charges to Appropriations</b>	<b>49,608</b>	<b>44,451</b>	<b>(5,157)</b>
<b>Ending Budgetary Fund Balance:</b>	<b>\$ 0</b>	<b>\$ 6,400</b>	<b>\$ (6,400)</b>

**TOWN OF MARTHA, OK**  
**BUDGETARY COMPARISON SCHEDULE-CASH BASIS**  
**PUBLIC WORKS AUTHORITY FUND**  
**For the Fiscal Year Ended June 30, 2013**  
**(Unaudited)**

	Original / Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
<b>Beginning Budgetary Fund Balance:</b>	\$ 29,619	\$ 29,619	\$ 0
<b>Resources (Inflows):</b>			
Water and Sewer Receipts	60,000	61,328	1,328
Meter Deposits	1,200	1,075	(125)
Miscellaneous Income	1,000	2,587	1,587
Transfers In	0	0	0
Total Inflows	62,200	64,990	2,790
<b>Amounts Available for Appropriation</b>	<b>91,819</b>	<b>94,609</b>	<b>2,790</b>
<b>Charges to Appropriations (Outflows):</b>			
Personal Services	15,000	13,318	(1,682)
Maintenance, Operations, Repairs	46,819	21,216	(25,603)
Transfers Out	30,000	31,845	1,845
<b>Total Charges to Appropriations</b>	<b>91,819</b>	<b>66,379</b>	<b>(25,440)</b>
<b>Ending Budgetary Fund Balance:</b>	<b>\$ 0</b>	<b>\$ 28,230</b>	<b>\$ (28,230)</b>

**TOWN OF MARTHA, OK**  
**Operational Fire Grant - FY 07**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative</u> <u>06/30/12</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 6</u>
Total Revenue	6	0	6
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 6</u>

Please see accompanying Accountant's Report.

**TOWN OF MARTHA, OK**  
**Operational Fire Grant - FY 08**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative</u> <u>06/30/12</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	<u>\$ 48</u>	<u>\$ 0</u>	<u>\$ 48</u>
Total Revenue	48	0	48
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 48</u>	<u>\$ 0</u>	<u>\$ 48</u>

Please see accompanying Accountant's Report.

**TOWN OF MARTHA, OK**  
**Operational Fire Grant - FY10**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative</u> <u>06/30/12</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	\$ 3,820	\$ 0	\$ 3,820
Total Revenue	3,820	0	3,820
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	0	0	0
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 3,820</u>	<u>\$ 0</u>	<u>\$ 3,820</u>

Please see accompanying Accountant's Report.

**TOWN OF MARTHA, OK**  
**Operational Fire Grant - FY11**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative</u> <u>06/30/12</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	<u>\$ 4,398</u>	<u>\$ 0</u>	<u>\$ 4,398</u>
Total Revenue	4,398	0	4,398
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	<u>0</u>	<u>3,860</u>	<u>3,860</u>
Total Expenditures	0	3,860	3,860
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 4,398</u>	<u>\$ (3,860)</u>	<u>\$ 538</u>

Please see accompanying Accountant's Report.

**TOWN OF MARTHA, OK**  
**Operational Fire Grant - FY 12**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative 06/30/12</u>	<u>Current Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	<u>\$ 4,413</u>	<u>\$ 0</u>	<u>\$ 4,413</u>
Total Revenue	4,413	0	4,413
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 4,413</u>	<u>\$ 0</u>	<u>\$ 4,413</u>

Please see accompanying Accountant's Report.

**TOWN OF MARTHA, OK**  
**OWRB Grant : 2002-03**  
**Schedule of Revenue and Expenditures**  
**(Modified Cash Basis)**  
**Year Ended June 30, 2013**

	<u>Cumulative</u> <u>06/30/12</u>	<u>Current</u> <u>Year</u>	<u>Total</u>
<b><u>Revenue</u></b>			
Grant Funds	<u>\$ 5</u>	<u>\$ 0</u>	<u>\$ 5</u>
Total Revenue	5	0	5
<b><u>Expenditures</u></b>			
Maintenance, Operations & Repairs	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	0	0	0
<u>Revenue Over (Under) Expenditures</u>	<u>\$ 5</u>	<u>\$ 0</u>	<u>\$ 5</u>

Please see accompanying Accountant's Report.